



CONSUMERS' GUIDE

FEBRUARY 27, 1939



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SODIUM SALT of para-sulfo-benzyl-ethylamino-fuchson-benzylethylimonium sulfonate may sound like "boo" to some people, but it didn't scare the resolute consumers who turned up recently at hearings conducted by the Food and Drug Administration on the certification of coal-tar colors for use in foods, drugs, and cosmetics sold in interstate commerce.

"The Secretary (of Agriculture)," reads the new Food, Drug, and Cosmetic Law, "shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in foods . . . drugs . . . cosmetics . . . and for the certification of batches of such colors, with or without harmless diluents."

Acting under this law, the Food and Drug Administration issued in December 1938 its proposed regulations for coal-tar colors. All of the coal-tar colors which, as a starter, the FDA proposed to certify as safe for use were listed in the announcement. Their chemical constituency was set forth. Maximum amounts of certain substances were prescribed. Procedure was outlined.

This, said the FDA, is what we propose to do. Everybody—and they meant everybody—who has anything to say about the proposed regulations is invited to come to public hearings and speak up. On the basis of the testimony and the findings of the FDA,

we will issue final regulations which will go into effect on June 25, 1939. On that date, the Secretary of Agriculture must assure consumers that the colors for use in foods, drugs, and cosmetics sold in interstate commerce are safe.

Consumers came to the public hearings. They didn't pretend to be experts. They didn't even pretend to know the meaning of most of the words that were being used at the hearing. But they did know what they wanted as consumers.

"We want dyes that are harmless and suitable for use, and that we consider to be one of the prime requisites of a cosmetic. . . ," said one consumer. "We don't know how to select cosmetics that have harmless dyes in them. . . . We can't tell one from the other, and so we must be protected and we want the United States Government to protect us. . . ."

A proceeding that permits consumers, business men, manufacturers, lawyers, Government chemists, and law-enforcement officers to sit down in a hearing room and talk out their joint problems, each one recognizing the competence and interest of the other, lays the basis for genuine democratic rule in industry.

Behind the hearing were weeks of careful research and consultation with non-Government chemical experts. When the Food and Drug Administra-

tion started on its "colossal" task of defining safe colors, it went first of all to the manufacturers of coal-tar colors. From them, the Administration obtained a list of 1,400 colors. This vast assortment was boiled down to 56 basic colors.

Then, in the words of an FDA expert, "We injected these dyes into animals . . . we fed them to animals . . . we have given them to animals by stomach tube . . . we made skin sensitization tests. . . . In other words we have made four attacks on each and every one of the 56 organic radicals listed in this group. . . ."

These were the 56 colors listed in the proposed regulations. There were objections, of course, to some of the specifications. Objections were all duly recorded along with the approvals. On the basis of the whole testimony, the Secretary of Agriculture will promulgate the final rules. If exceptions are then made to these rules, they can be taken to the courts.

After June 25, 1939, as a manufacturer makes a batch of one of the approved dyes, he will send a sample of it to the FDA for testing. He will have to state that the sample is representative of the whole batch. He will have to say how much color there is in the batch. The sample will have to be sealed in a package which prevents deterioration or change in composition. The batch itself, until finally put up for sale, will have to be sealed in such a manner that it won't deteriorate or change in composition.

When the FDA receives the sample, it will number the batch, test the sample, and if it is safe, will certify it as safe for use in one or more of the three types of products—foods, drugs, and cosmetics—over which it has control.

A certified batch may be sold provided it is labeled properly. The label will have to state that the color contained in the package comes from a certified batch and at the same time indicate the purposes for which it has been certified. The label will have to bear the lot number assigned it by the FDA, for checking back in case something turns up. Finally, it will have to state what percentage of pure dye it contains.

Building for Bigger Consumption

*If low-income consumers are not to be punished with poor diets, if farmers producing abundance are not to be punished with low prices, America must explore new solutions for present marketing problems. Former President Tapp of the Government's Federal Surplus Commodities Corporation suggests some new marketing ideas**

THERE has been a lot of discussion lately of the possibilities of increasing the consumption of food products by our low-income groups. The Department of Agriculture has announced that it intends to see what can be done in a small way under the present Farm Act. It is considering a number of suggestions made by dealers, trade organizations, and others by which constructive plans might be carried out through the existing trade channels.

In some way or another we must have more consumption domestically if the farm-surplus problem is to be solved. To bring this about consumers must have more income, or we must find ways of stretching out their present buying power, especially for those of the low-income groups. Perhaps one of the most constructive ways of expanding food consumption which has been put forward is through the widespread provision of well-balanced luncheon programs in schools, particularly in the low-income areas of our

cities, and even in many rural sections where lack of knowledge and poverty are accompanied by widespread malnutrition among the children. Certainly such a program would merit the full support of all private and public agencies interested in the health and vigor of the oncoming generation temporarily affected by adverse economic and social conditions. In our surplus-commodity distribution programs we are finding an increasingly important outlet in school lunches, where surpluses of essential food products are used to supplement the inadequate diets of undernourished school children.

THERE IS ALSO an opportunity, quite apart from any special pricing, in special low-cost methods of distribution. Wholesalers might look further into this with advantage. Manufacturers have learned to tap different income groups; they offer a range of services and qualities at different costs. Agriculture is backward in this respect,

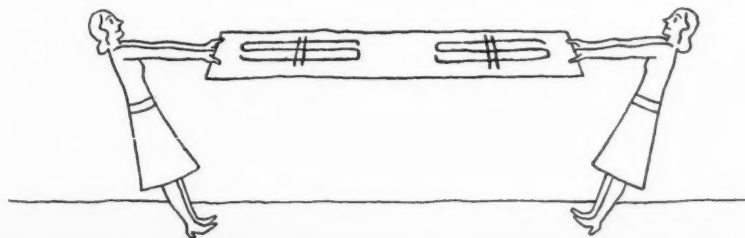


perhaps because the farmers are not sufficiently in touch with the distributors or consumers. The ordinary separation of commodities into grades and sizes is not enough. There should be systematic, permanent, and widespread efforts to make certain commodities available with less than the usual amount of intermediary services and costs.

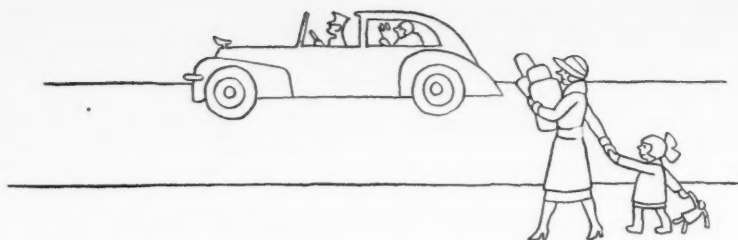
CONSUMERS in the higher-income groups demand complicated and expensive services from the distributing agencies. They want fancy packaging, slicing, and wrapping. They want frequent deliveries. They want elaborate related services. All these things cost money. Moreover, the higher-income groups demand and can pay for higher quality products. Increasing attention must be given to the possibility of selling satisfactory foods less expensively serviced at lower prices.

Along with this possibility for increasing consumption through new types of distribution, we ought to con-

"CONSUMERS must have more income, or we must find ways of stretching their present buying power, especially for those of the low-income groups."



* From an address to the National American Wholesaler Grocers' Association, January 24, 1939.



"THERE should be systematic, permanent, and widespread efforts to make certain commodities available with less than the usual amount of intermediary services and costs."

sider the possibility of having more flexibility in distribution costs. On the average, the American farmer gets from 45 to 50 percent of the consumer's food dollar. The rest goes to transportation agencies, processors, and wholesale and retail distributors. Farmers get a smaller proportion of the consumer's dollar than they got before the war. This does not prove extortion; it may reflect higher wages or increased values added to the commodity in processing and distribution. But perhaps the charges could and should vary more with supply conditions.

FREQUENTLY, the supply of certain farm commodities is so large that price declines cancel the farmer's return and leave only enough to pay for distribution. The inevitable result is waste of agricultural and human resources.

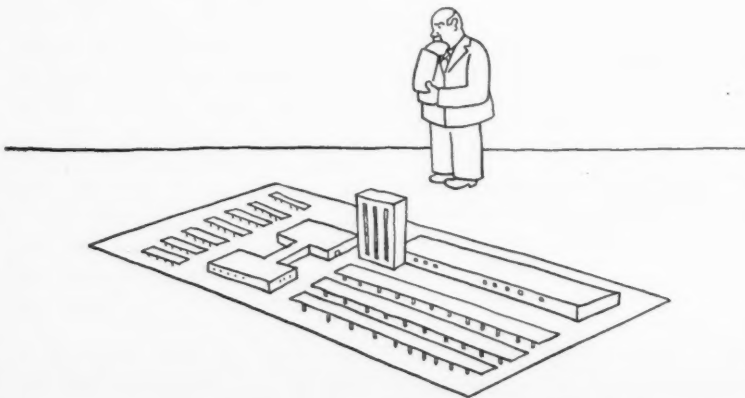
"IN many cities the marketing facilities are old, and have undergone little change in 50 years or more."

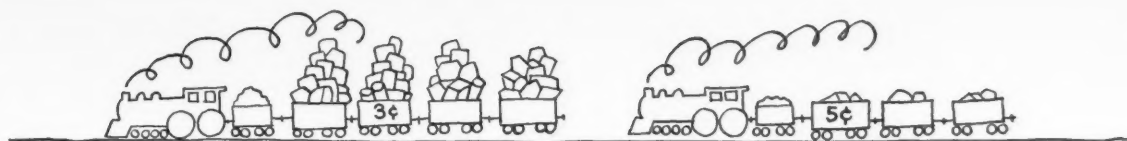
Such a situation naturally raises the question whether processors, handlers, and railroads might be able to reduce their charges to a point where the crops could reach consumers, and the farmers could get at least something for their labor. In more normal seasons higher charges would be appropriate.

Such flexibility in marketing costs would be difficult to work out on a broad scale, but an interesting experiment in this field is now being tried with this year's record citrus crop, through the voluntary cooperation of the handlers of the crop. Citrus fruit this year is so plentiful that no further reduction the farmers could make in their prices would mean anything to consumers, but lower distribution charges may increase the consumption materially and allow some return to the producer.

THIS IS NOT an appeal to philanthropy. Handlers, processors, and distributors have their troubles like other folk. They have to live with stern competition. As producers of consumable values, they have a right to a fair return; moreover, without it, they cannot continue to function. Many farmers and consumers believe that processors, wholesalers, and retailers charge too much, but the business mortality among them suggests that only the very fit survive. There is no doubt, however, that our marketing system could be improved in such a way as to reduce the spread between country and city prices and stimulate consumption. Studies in the Department of Agriculture and other agencies show that in many cities the marketing facilities are old and have undergone little change in 50 years or more. Meantime population has increased; new methods of transportation have developed; and both production and consumption have changed tremendously.

PERHAPS ALSO with some commodities the increasing volume of distribution warrants some decline in the average unit charges. I am not speaking now of flexibility in charges as between seasons of glut and seasons of shortage but of the average mark-up. Normally, in factories as well as on farms, costs decline when the volume of production increases. Why should the same principle not apply to distribution? Farm commodities, like citrus fruit and certain vegetables, have increased in production enormously during recent years. It should be possible to market the increased volume with a smaller per-unit mark-up. That would be a direct inducement to consumers to expand their consumption. If the trade could move the increased volume through reductions in handling charges all along the line, there could be lower prices to consumers, some return to producers, and a larger volume of business and possibly even increased net returns to the transportation agencies and handlers. In the distribution services, with their dependence on uniform and customary charges, the usual mark-ups may no longer reflect properly the costs or develop fully the op-





"IT should be possible to market the increased volume with a smaller per-unit mark-up. That would be a direct inducement to consumers to expand their consumption."

portunities of marketing. This question also would seem to deserve careful consideration by distributing agencies.

ACTION along this line could be tied in with consumer education as to the supply, the relative prices, and the dietary values of different products. Diets of families of employed wage earners and of low-salaried workers are often very inadequate. Even among urban families with enough income, many do not get a good diet. Out of every 10 families that spend enough money for a good diet, only two to four families actually select good diets. More consumer information and consumer service can help greatly to correct this situation, particularly if backed with special marketing programs. There have been a number of experiments in which food retailers have cooperated to push the sale of particular crops. Within the last 3 years about 30 major agricultural crops have had support of this type. At least some of these campaigns were successful in moving surplus crops into consumption. Both farmers and distributors appear to have benefited.

SOME PRODUCTS respond to such promotional campaigns better than others. The grapefruit drive of 1937 succeeded notably, partly because of the character of the commodity. Sales of grapefruit by two major chains doubled during the campaign. Efforts to increase the sales of beef by special advertising and special prices succeeded well in 1936. In August 1936, the month of the campaign, chain-store sales of beef were 59 percent greater than in the corresponding month of the previous year and nearly double those of August 1937. There was a

successful sales campaign for dry beans in 1938. On the other hand, attempts to increase the sales of eggs in a special campaign in 1937 appear to have met with much less success.

These retail campaigns do best when supplies are large and prices low. Usually they feature additional price concessions made possible through lower margins. Agriculture as a whole, of course, cannot benefit merely from the diversion of consumer purchases from one food product to another. But special campaigns can relieve groups of producers who are in especially unfavorable situations. There are some cautions to be observed. Commodities should not be pushed that do not need special assistance. Consumer campaigns should not be too frequent. They should rest on actual inducements to increased consumption rather than merely on colorful advertising.

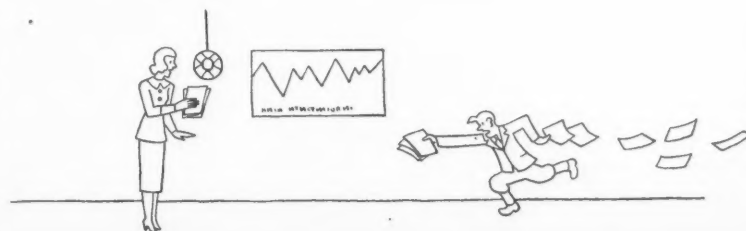
ALL OF THESE considerations emphasize our need for efficient distribution. We must not tolerate backward steps. Consumption in many lines would expand automatically if all our people could be quickly reemployed at good wages. Even then, however, it would be important to keep the costs of

distribution low and to provide means that would bring about full consumption of foods by the lower-income groups.

Naturally, we cannot expect an easy panacea. Improvements in marketing alone cannot make production and consumption balance or keep up prices in the face of gluts. Agriculture has surplus capacity; it has a continuing need to adjust new supplies, to keep the costs of production low, and to maintain a good balance among the different crops. Full speed ahead, with all available farm land, labor, and capital in total use, may not be possible again for many years—certainly not without a great increase in the demand for farm products and a great increase also in the power of industry to absorb rural population and keep the farm manpower from being excessive.

Such facts, however, do not lessen the importance of good marketing; they increase it. They challenge us to find or develop new markets for farm products and to deal through marketing controls with the surpluses that still accumulate. The only way is through increased cooperation among growers, processors, distributors, and public agencies.

"ACTION along this line could be tied in with consumer education as to the supply, the relative prices, and the dietary values of different products."





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Inside Your Cup of Chocolate

7

Standards of identity will help consumers to select wisely from among the many different flavorsome and nourishing cocoa and chocolate preparations on the market

WHEN MONEY burned holes in the pockets of Aztecs, it was no problem at all for them to smother the flame. They simply drank their dollars. Coinage of the realm, as it were, for them was a cacao bean, so when recklessness took possession of them, they simply brewed their change into a cup of chocolate.

Aztec profligates ground up their cacao beans with herbs, spices, chile, and corn. By adding water, the mixture was transformed into a paste. Then they beat the paste, adding more water the while, and pouring the liquid back and forth between containers until it was almost all froth. By that time it was ready to serve in ceremonial cups made out of gourds.

With this recipe the Spanish conquistadores took the cacao bean back to Europe. First European reaction to chocolate was that it might be very well for an American aborigine, but that so far as Europeans were concerned it was just so much surplusage.

Someone then thought of adding vanilla, another exotic food from America, to chocolate. To this someone else added sugar. Perhaps a third person added cinnamon. By that time a public-opinion poll would have revealed that the people who drank this new drink thought they had something.

Linnaeus, the famous botanist to whom we owe the scientific names of most plants, thought so well of the new drink that he named the fruit of the cacao tree "Theobroma," food for the gods. Brillat-Savarin, the French-

man who wrote so appreciatively of food, had a similar regard for chocolate. Said he, "The people who make constant use of chocolate are the ones who enjoy the most steady health and are the least subject to a multitude of little ailments which destroy the comfort of life; their plumpness is also more equal. These are two advantages which everyone may verify among his own friends and wherever the practice is in use."

FEW PEOPLE are happy at the idea of plumpness these days, even if it is equal, but for all that the recommendations of chocolate are so well received that in the United States alone in the year 1935-36 there were imported some 571 million pounds of cocoa and cacao beans.

Nor has chocolate entirely lost its exotic background, for most of the American supply of cocoa comes from British West Africa, that is, from the Gold and Ivory Coasts. Brazil ranks next in importance as a supplier of cocoa to the United States, with sizeable quantities coming from the other South American States and the West Indies.

Tropical and exotic, the cacao tree, which is a native in the Orinoco Valley in South America and an immigrant everywhere else, would strike anyone who grew up looking at apple trees, oak trees, and evergreens as a curious tree. Covered with a thick foliage the year round, the cacao tree has leaves which are red when they are young,



green when they are mature. About the size and shape of palm leaves, they are, however, heavily ridged.

Mosses grow all over the cacao tree, and one of its bitter enemies is a variety of the mistletoe.

Since the growing season in the tropics is continuous, mature pods, podkins, and flowers may be found on the cacao tree all the time. The flowers, which unfold from buds hardly larger than a grain of rice, are tiny, odorless, wax-like flowers with either pink or yellow blooms.

CACAO PODS grow directly from the tree trunk and branches and quite close to the ground. Hanging from short, thick stalks, the pods when mature are the shape of elongated cantaloups, but on the tree they are colored so brilliantly and so variously that the effect is that of a tree hung with Chinese lanterns. Colors range from a dull crimson to gold, to dark yellow and pea green.

By breaking open the woody rind of the cacao pod, a pale amethyst pulp is revealed in which there are embedded two rows of gleaming white beans. These are the cacao beans. Inside they shade from a royal purple to a snowy white. Fermented, the beans turn one of a variety of shades of

WILD yeast in the air and enzymes within the cacao beans combine to ferment the cacao beans, and during this process their original creamy white color changes into the rich brown chocolate color that is associated with cacao products.



THESE pods, which look like cantaloups gone wild, are the cacao pods. They grow directly from the trunk and branches of the cacao tree.

brown. These are the cacao beans of commerce that go trailing through the jungle on the heads of natives, are loaded into lighters to seagoing vessels, and then are steamed across the ocean to be made into cocoa products.

Cacao trees are cultivated on plantations. Usually they are planted in the shade of another tree, sometimes in the shade of a tree called the "Mother of the Cacao," sometimes in the shade of banana, mango, or rubber trees. In other places, sentimentalists will be happy to learn, the cacao tree is planted in the shade of the bread-fruit tree.

Long-handled steel knives shaped like a mitten are used by natives in harvesting the cacao. The artificial hand is used so that the cacao pods can be cut from the tree with either a push or a pull.

Pulling and pushing, natives take their knife-edged hands and go through the plantation cutting down the yellow, red, and green pods. A streak of yellow in the pods indicates maturity. Following the cutters, women trail along stooping and gathering the pods in baskets.

As the baskets are filled, the women hoist them to their heads and carry them to a central clearing where they are emptied into a great pile. In a circle around the pile, men with short, sharp cutlasses cut them open and then with a jerk crack the husks apart. Girls take the opened pods and scoop the cacao beans out of their pulpy covering. Then the beans are placed either on leaves or in a tray for fermenting.

Cacao beans ferment from 2 to 9 days under the stimulus of wild yeast in the air and enzymes in the cacao. During this time the beans turn brown and acquire their characteristic cocoa odor. The cacao bean is then dried ready for shipment to world markets.

SIEVING is the first step in the manufacture of chocolate and cocoa. The cacao beans pass through rotating screens which remove twigs, shells, and the miscellaneous debris picked up on the way from the jungle to the factory. Then, as in the case of coffee, the beans are roasted. To insure even

roasting, the beans are placed in rotating drums which turn them over and over until the bean color is an even brown and the factory is aromatic with the rich, warm fragrance of chocolate, a fragrance, incidentally, which is produced by minute quantities of the same oil used in the manufacture of lavender perfume.

Roasted to a fragrant crispness, the beans then pass through rollers, which break open the shells enclosing them, into a winnowing machine which blows away the shell and chaff and permits the bean, known in this stage as the nib, to fall on a belt which carries it farther on between grinding stones.

Between a revolving top stone and a stationary bottom stone, the cacao nib is ground slowly until the fat in the nutty nucleus melts to produce a thick, brown liquid. When this liquid is permitted to harden, it forms into a hard, fatty, brown mass.

COCOA and chocolate part company here.

The fatty brown mass headed for a

THIS Food and Drug Administration inspector is withdrawing a sample of imported Brazilian cacao beans to determine how free they are of mold and worms before admitting them for use in this country. Imported manufactured cocoa and chocolate products and those that move in interstate commerce must come up to standards of safety prescribed under the Federal Food and Drug law.



cup of cocoa proceeds next into fur-lined pots, that is, pots with camel's hair linings and vents in the bottoms. Hydraulic presses squeeze the mass and out of the vents there pours a stream of yellow liquid, the cocoa oil. The pressed cake is next placed in a machine which grinds it into a powder. It is screened through silk gauze and emerges as cocoa.

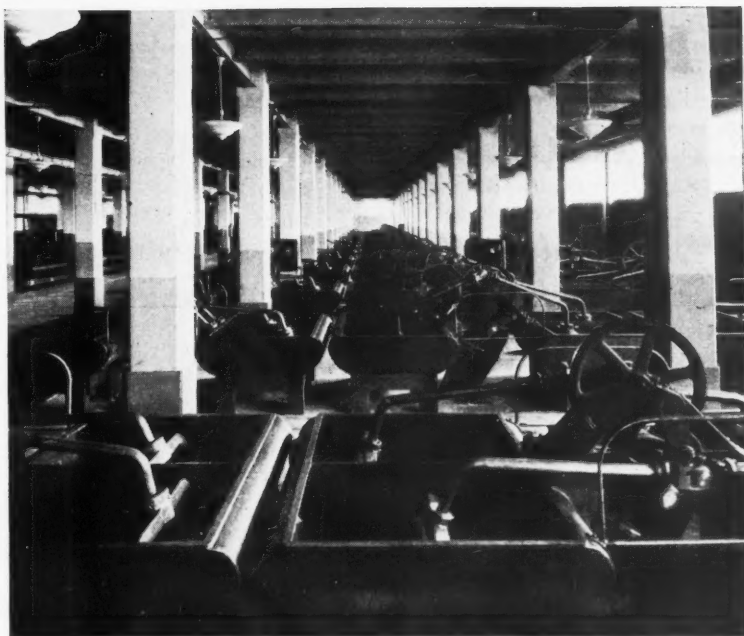
The difference between cocoa and chocolate is a matter of cocoa butter. Cocoa mass slated for chocolate is ground between water-cooled steel rollers into a chocolate paste and then is piped into a machine called a conch. (Formerly the cylinder in this machine was shaped like a shell.) Here the mass is ground and agitated for 4 days until all the particles in the soupy paste are fine and its texture is even. After the conching, the paste is drained into molds, and that is chocolate.

MILK CHOCOLATE, which was first hit upon in the year 1876 by a Swiss, is the most popular candy in the world today. To make it, whole or condensed milk and sugar are stirred together and the resulting syrup is heated until it is soft and taffy-like. To this, melted chocolate is added, and then the cooking goes on until practically all moisture has been evaporated.

This chocolate milk paste is poured out and permitted to harden. The mass then goes through a conching process similar to that of the plain chocolate, only longer. For 5 days and nights the fine suspended particles in the chocolate paste are ground, cradled, and agitated until finally the liquor is velvety smooth. The finished liquor is poured into molds, cakes, bars, buds, and whatever other form milk chocolate is sold in.

CACAO, and consequently chocolate and cocoa, is a stimulant like coffee and tea but to a lesser degree. The stimulating agent in cocoa preparations is theobromine, an alkaloid drug closely related to caffeine. Traces of caffeine are also found in cacao preparations.

In addition to these stimulants, cacao preparations contain fat (the cocoa butter), proteins, and starches. Neither tea nor coffee contain any nu-



CHOCOLATE takes a beating in this state of its manufacture. In these tubs, which are called conches, both sweet and unsweetened chocolate is milled for periods of time lasting from 96 to 120 hours. The milling gives chocolate an even, velvety consistency.

tritive substances unless they are added in the form of milk or cream and sugar. Cocoa and chocolate on the other hand are not only beverages but are also good foods. Made with milk, cocoa is an excellent food beverage.

Neither cocoa nor chocolate is soluble in water. Instead, both form suspensions in liquid; that is, fine particles distribute themselves evenly throughout the milk or water in which the chocolate or cocoa is prepared. Since cocoa contains less fat than chocolate, it is more easily mixed cold.

Dutch process cocoa, which sometimes is illegally called soluble cocoa, is not really soluble. These cocoas are treated with one of a variety of suitable alkalis which increases the buoyancy of the cocoa particles. The effect is to permit the cocoa to be distributed more evenly in milk or water.

Milk chocolate is already slightly cooked and readily digestible, but in the home cocoa and chocolate are more easily digestible if they are heated until the starches they contain are cooked.

IN USING CHOCOLATE and cocoa

there are two suggestions householders might adopt. Cocoa will not lump when added to hot milk or hot water if it is first made into a paste with cold water. Chocolate should be melted in a double boiler. Over a direct fire it is likely to burn with an injurious effect on its flavor.

Because the oils in cocoa and chocolate may deteriorate, both should be stored in a cool dry place. They should be kept covered and free of moisture. Chocolate, especially, should be kept in the ice box. When it is not kept cool, the cocoa butter in it melts and rises to the surface forming white patches on the brown cake.

Like many foods consumers buy these days, chocolate and cocoa preparations come wrapped or sealed. First buying rule, therefore, is to look at the net weight content on the label and to make sure at least that you get as much as you pay for.

UNDER THE NEW Food, Drug, and Cosmetic Law, cocoa and chocolate preparations may be required to con-

[Concluded on page 19]

Look Before You Sign

*Good faith between sellers and buyers of goods purchased on time can rest only on mutual understanding of instalment contract commitments**

AN AUTOMOBILE dealer handed an instalment contract and the fountain pen to Mr. Smith and beamed at him and Mrs. Smith. He did not understand why a third party, previously introduced as Mr. Smythe, should be there, but he beamed at him too. Smythe beamed back, took the contract from Smith, and began to read it with a quick and evidently practiced eye. "You see," Smith explained, "Mr. Smythe is our lawyer, and we have asked him to look over the instalment contract for us. I suppose your lawyer or the sales finance company's lawyers have carefully worked out your contract forms, and we thought you might appreciate our getting legal advice too."

WHAT'S THE MATTER with this as a typical scene from the American consumer landscape? It probably never happens—that's all. The average family is not in the habit of dealing with a lawyer except in emergencies, and cannot afford to hire a lawyer to scrutinize the terms of an instalment contract.



Instalment credit rates, and how the consumer can attempt to figure them out, was the subject of "Buying on Time," in the *Consumers' Guide* for February 13, 1939. This article considers the other terms of the instalment contract.

"Most consumers are ignorant of the law," the Committee on Consumer Credit pointed out in its report to the Governor of Massachusetts, "yet the typical instalment contract is a complicated legal document. Most consumers trust in the good faith of the seller or his assignees; yet this faith is sometimes betrayed after the consumer is firmly bound by the terms of his contract."

STATE LAWS on instalment selling are almost entirely concerned with protecting sellers. Dealers need to be protected against dishonest buyers, but most American business men in this field agree that the vast majority of consumers are honest and willing to pay their debts. There has been a growing demand for legislation to protect the instalment buyer. Unscrupulous practices penalize both consumers and honest dealers.

Reputable dealers are, no doubt, in the majority. A committee of the Wisconsin State Legislature recently investigated the instalment selling of automobiles. It estimated that sharp practices on auto instalment deals were restricted to about 15 percent of the companies doing business in this field. Undoubtedly broad studies of instal-

ment selling in other industries would likewise reveal the relatively small proportion of questionable business done.

Instalment buying amounted to the enormous total, in 1936, of 4½ billion dollars, or an average of about \$150 for every family in the country. Two billion eight hundred million dollars were spent that year on the instalment plan for automobiles. Three out of every 5 cars are bought on time; about 4 out of 5 pianos and phonographs; and 9 out of every 10 washing machines and refrigerators. Taking all retail sales, \$10 or \$11 of each \$100 are spent in deferred payment purchases.

This great chunk of American consumers' buying is signed and sealed by powerful legal instruments. Contracts are drawn by sellers' attorneys. Buyers usually are in complete ignorance of what legal rights they do have. And buyers, especially of automobiles, who think they drive a shrewd bargain in trade-in price, often accept other terms that victimize them without a second glance at the contract. That is why consumers have sometimes found hard times come with easy payments.

Central feature of the instalment contract is the fact that while the buyer gets the article to take home with him, the seller retains control over the article itself or over the buyer's

* Third of a series on the cost of consumer credit. Previous chapters appeared in the January 30 and February 13, 1939, issues.



RETAILERS have not yet decided among themselves how much "soft goods," like clothing, it is wise to sell on time. In some stores all sales are on instalments; in these so-called "borax houses" are to be found many of the dubious practices which plague the business. A simple standardized form of time purchase contract would probably go far to protect consumers and legitimate dealers.

source of income. This he does either by a conditional sales contract or a chattel mortgage, or by a wage assignment.

Most drastic form of security may be the wage assignment. Originally the instalment plan was used to sell only items for which there was a definite resale market. If the family lagged in its payment on the piano or automobile, the dealer could repossess and probably make up the unpaid balance by reselling the article. The merchandise itself was adequate security, until instalment sellers, trying to conquer new markets, made their terms so "easy" that often the unpaid balance exceeded the resale value of the article. At the same time they went into new fields, selling "soft goods" such as clothing, for which resale value was either low or nil. Public sale of a repossessed pair of pants brings no large sum. As added security for deals such as these, the wage assignment came into more prominence.

A factory worker or clerk may give the dealer power of attorney to collect his pay envelope as soon as he misses a

payment on his suit or his wife's ring. In the hands of a ruthless or unscrupulous dealer, this is a dangerous weapon.

Ideally, the customer should read carefully every word of the contract he signs, and make sure he understands every word of it. Long contracts with legal verbiage, often in fine type, make this difficult. Many wage assignments are signed because the buyer does not realize the importance of what he is signing. The oversight may be encouraged if the document is headed simply "Contract" or "Chattel Mortgage," and fails to call the buyer's attention to the fact that he is signing away future wages.

WAGE ASSIGNMENT abuses, like other shady practices, are restricted to a small minority of the instalment business. That they threaten the legitimate dealer as well as the unwary customer is indicated in the suggestion of the National Association of Sales Finance Companies' analyst that the law prohibit any wage assignment made before actual default on the instalment contract.

Some States limit by law the percentage of a wage earner's salary which may thus be assigned to a creditor, or prohibit assignment entirely under certain conditions. In other States the entire pay envelope may be turned over to the instalment dealer.

Wage assignments are not rare phenomena. A few years ago a Chicago newspaper found that it was receiving each year wage assignments against one out of every 12 employees. A Chicago traction company reported a yearly average of 3,400 notices of assignment against its workers. Eight representative employers in New York reported that practically all the demands for wage assignments came from instalment merchants, and that 6 jewelry and clothing dealers were responsible for half of them. Clothing debts accounted for the largest number of wage assignments in 31 cities, a United States Labor Department report showed; auto contracts for comparatively few.

Some employers dislike being bothered with legal forms, and with the added bookkeeping routine involved in turning over wages to a creditor. Employees missing a single instalment payment may then find themselves having their very jobs threatened. An employer as ignorant of the law as his worker and daunted by a formidable legal-sized document on fancy paper headed "Assignment of Wages," may force his employee to settle, or fire him, even when the document staring the employer in the face has no legal validity.

REPOSSESSIONS are sometimes necessary to protect sellers of instalment merchandise. Contracts usually provide that the buyer's failure to meet a payment allows the seller to repossess immediately. The seller may also get the right to declare the total balance of the contract payable at once, when one payment is skipped. If the buyer is dishonest, such drastic safeguards are necessary. The honest buyer may miss a payment date because of an emergency—perhaps sickness in the family or layoff on the job. He naturally hopes for some notice before the company swoops down on his car

12 or refrigerator and carts it off for resale.

A dishonest customer may "skip" out of town or out of the State without paying up for his furniture or his car. But last year, reports the National Association of Sales Finance Companies, the number of "skips" was less than 2 in every 1,000 auto instalment deals.

Sales of repossessed merchandise, especially automobiles, offer an avenue of abuse. Frequently there is no requirement for public sale. At a private sale the unethical dealer may dispose of a repossessed car at a sum far below its market value. Even public sales may be "fixed." Honest public sales, of course, do not necessarily bring full marked value.

When a sale yields less than the unpaid balance of the instalment price, the dealer may get a deficiency judgment for the remaining sum, plus various plain and fancy costs. On the other hand, in the unlikely event that the sale yields more than the unpaid balance, plus fees, the consumer is, in some States, entitled to the difference— but usually he does not know this.

Repossession when only one or two payments remain may wipe out the entire equity the purchaser has built up. Ethical dealers find ways of avoiding such repossessions, in the interest of themselves and their customers.

A few companies, most notoriously in the second-hand car field, appear to be in the business of repossessing rather than selling. They make a specialty of drawing up contracts which encourage delinquency, and then, without a moment's notice, when a payment is overdue, seize the car and either sell it at a "fixed" sale or collect exorbitant fees for its return to the customer. In one city, about 70 cars a month are reported to the police as stolen which have been repossessed without the knowledge of their purchasers.

Contracts often leave to the discretion of the dealer or finance company the fees which may be charged a delinquent payer for the return of his repossessed car, radio, or washing machine.

REPUTATION OF DEALERS is not in itself a sufficient protection to the family buying on time. When the

HERE are some of the questions the instalment buyer should ask himself—and the dealer—before he signs on the dotted line:

(1) What will the credit actually cost me in money? What rate of interest is charged?

(2) Are all the dollars and cents figures in the contract correct? Are there any blank spaces to be filled in later?

(3) What are the insurance charges, if any? What insurance is actually provided?

(4) To whom will I owe the payments?

(5) What penalty charges may be imposed for late payment? Are there any other extra charges?

(6) Do I have a right to fair notice before the merchandise can be repossessed? What repossession charges may be collected?

(7) What security have I given? Does the security include other merchandise previously bought? Does it include a wage assignment?

(8) What legal safeguards and guaranties have I waived?

(9) Do terms in fine print commit me to additional obligations?

(10) Is there provision for a fair refund on carrying charges if early payment is made?

dealer makes the sale, he generally takes a note from the customer and sells it to a sales finance company. Most automobile dealers, and many instalment sellers in other fields, do not put up their own capital to finance their instalment sales, but get it from sales finance companies. Finance companies, in their turn, get most of their working capital from banks.

A good rule for the average family is to pay down as much as possible, and pay up as fast as possible. This

means a greater portion of each payment going to pay for the merchandise, and less absorbed by the credit charge. It reduces the danger that during the lifetime of the instalment contract the family fortunes will change and that because of lapse of payments the merchandise will be repossessed by the seller. But the family should not overcommit itself by undertaking payments that leave no margin of safety in the budget.

The lower the percentage of the down payment to the total cost of the auto or refrigerator, the higher the percentage of repossessions. The longer the period over which the instalment payments are scheduled, likewise, the greater the repossessions. "Nothing down and 5 years to pay" is risky for both dealer and customer.

"ADD-ON" or "open-end" contracts, are something for the family not to sign. This kind of contract is drawn to cover a succession of instalment purchases and provides that the seller retains his title or mortgage on each article until the very last one is paid for. A thousand dollars worth of home furnishings, bought over 10 years, might be seized because the customer failed to meet a \$5 payment on a recently purchased \$50 item.

Insurance charges should be carefully observed by the customer. An unscrupulous fringe of dealers overcharge for insurance. In some cases the dealers do not even place the insurance.

Any fair dealer will allow the customer a rebate on his carrying charges for payment in less than the stipulated time. Such a provision, however, is omitted from many contracts.

The philosophy of "Let the buyer beware," now happily repudiated by most retailers in the sale of goods, sometimes characterizes the instalment contract. Instalment financing by sales finance companies, rather than by dealers, has emphasized this separation of the performance or guarantee end of the transaction from the credit or payment end. The buyer, who later discovers that his purchase does not conform to the dealer's promise or the manufacturer's guaranty, may find that

he has unwittingly signed away all right to refuse payments. The courts may not enforce provisions such as this, regardless of the wording of the contract. Nevertheless the consumer is hardly likely to be aware of the line of judicial decisions or expect to go into court to prove that goods were defective or failed to live up to their guaranty.

TWO STATES have recently made attempts to regulate instalment contracts in the interest of consumers. Wisconsin's statute, passed in 1935, is restricted to the automobile business. Dealers, salesmen, finance companies, and manufacturers' representatives are licensed by the State, and a license is subject to revocation if the dealer willfully defrauds any retail buyer or if he fails to furnish him with required information. The seller must give the buyer a complete copy of the instalment contract, listing the cash sale price, down payment, trade-in allowance, amount of each instalment payment, an exact statement of the insurance coverage in force, and the difference between the cash and time price. Consumers have the right to complain to the State Banking Department if they feel their contracts are unfair. About 1,000 adjustments have already been secured by the Department for consumers.

An Indiana law, also enacted in 1935, is more comprehensive. It applies to all lines of instalment selling. Indiana's State Department of Financial Institutions is empowered to set maximum finance charges which may be added for various lines of instalment merchandise. So far the rates have been high enough so that dealers seem willing to operate without question under State licenses.

Regulations under the Indiana law have attempted to wipe out several possibilities of abuse. Maximum penalties which may be assessed for late payments are prescribed. Minimum rates of rebate for prepayment of instalments are required, not only on the finance charge but also on the insurance charge. The "add-on" contract has been outlawed.

In other States than Indiana and

Wisconsin, what can the consumer do if he thinks he is being mulcted on an instalment deal? In the States in which there is small-loan legislation, State supervisory agencies are constantly receiving instalment sales grievances, although they have no authority over such cases.

LEGAL AID SOCIETIES often help instalment borrowers in the toils. Such societies, which serve people who cannot afford to hire lawyers, do not exist in all communities, and where they do, they are usually overworked.

Local associations of reputable business men frequently come to the rescue of victims of a shady instalment dealer. Such bureaus are found in most cities.

The small-claims court is another institution which gives relief, in many cases, to harassed debtors. Feature of this "poor man's court"—set up in over 100 cities—is its speedy and non-technical procedure, and its emphasis on reasonableness in each individual case. Lawyers are not needed in these courts. Fees are low or unnecessary.

Washington, D. C., set up its small-claims court last April. In its first 10

months of work, this court heard about 10,000 claims arising out of instalment sales. All claims under \$50 are referred to this court. One woman was sued by a jewelry firm for a \$40 payment on a wrist watch. She claimed the watch had never run properly and was able to show that she had taken it back to the store for repair 4 times and finally had left it with the store. She won her case. In many another case, the debtor admits a just claim and gets a reasonable time in which to pay up in full.

MOST FAMOUS of the courts doing this work is the Detroit Conciliation Court. It can deal with larger cases than the small-claims courts. Detroit's court is a clinic in family financial ailments. The judge hears the story of the debtor—or his wife—and, fixing the amount he thinks the family can pay, collects the payments and apportions them among the creditors. Creditors, who first grumbled about the small payments taken out of debtors' wages, now widely accept the system.

WHEN emergencies temporarily upset instalment schedules, merchants often give customers a chance to rearrange payments. Buyers hard pressed by less conciliatory dealers who cannot afford to hire lawyers may take their problems to a legal aid society, a trade association, a welfare agency, the local prosecuting attorney, or a small claims court.





ON THE CONSUMER FRONT

Notes from Government agencies at work for consumers

FARMERS got a hand from the Federal Trade Commission in three recent actions when the Commission, through two stipulations and a Cease and Desist Order, struck at misrepresentation in the sale of chicken feeds. A Chicago manufacturer of yeast preparations was ordered to discontinue saying in his advertisements that his preparation would cause intestinal diseases in chickens to disappear. A Chicago cheese company which sold dried whey promised the Commission that it would stop claiming that its whey would increase hatchability unless it limits the claim to deficiencies caused by a lack of Vitamin G. "There are," the stipulation points out, "other factors materially affecting the hatchability of eggs which this company's product would influence only slightly if at all." The third company, a Kansas City concern, claimed that its mash increased egg production; produced better-quality eggs with stronger shells; improved the hatchability of eggs, insured stronger, more vigorous chicks; and fortified them against a chicken disease called range paralysis. This company agreed to stop making such claims.

A **FAMOUS FIRST** got into the news again recently when the Federal Trade Commission issued a Cease and Desist Order prohibiting a group of Chicago distributors from "disseminating false advertisements, by any means, for the purpose of inducing the purchase of a weight reducing remedy designated '281,'" the use of which, the Commission found, may prove injurious to health and eyesight.

This remedy contains the dangerous

drug, dinitrocresol, which sometimes causes "direct degenerative changes in the vital organs and the formation of bilateral cataracts on the eyes."

To prevent the advertising of this drug, the Federal Trade Commission exercised its new powers under the Wheeler-Lea Amendment to the original FTC Act and for the first time went to court for an injunction. All advertisements of the drug were stopped under the injunction until the issuance of the recent Cease and Desist Order by the FTC, which continues the prohibition and makes it permanent, unless reversed by the courts.

SHORT-WEIGHT BREAD was picked up by authorities in Salt Lake City and in Denver recently. Offenders were a chain store company which operated in both Denver and Salt Lake City and a bakery which operated only in Salt Lake City.

Fined \$34, the bakery was also found guilty of two other offenses—calling its bread "milk bread," when it contained practically no milk, and failing to note the net weight of its bread on the label.

The chain store company was fined \$600 on its Denver violation and \$28 on its Salt Lake City offenses.

CONSUMERS have a perfect right to pull the covers over their heads if they want to, but this does not give dealers any license to toss quilts about indiscriminately. Quilts, the Federal Trade Commission stated recently in a stipulation it entered into with a Los Angeles dealer in quilts, must be all down if they are advertised as down.

If they contain any other materials beside down, then the other materials must be noted in equally conspicuous type.

Exploiting the well-earned respect that consumers have for "U. S. A.," a Baltimore manufacturer of men's shirts put those reassuring letters on his shirt labels. In very small type in front of the letters U. S. A. the manufacturer also put "Made In." The effect of this labeling was to make purchasers believe that they were buying shirts that were either made to meet United States Government specifications or were disposed of from the surplus stocks of the United States Army. Neither of these impressions was accurate. To make sure really that no one is misled in the future, this Baltimore company has promised the Federal Trade Commission not to use the initials "U. S. A." in this manner again so that anyone can possibly be mistaken.

PROMISES COST NOTHING, a Texas dealer seemed to reason, so let's be free with them. Here is what he promised the people who bought his hosiery on the basis of samples he and his agents exhibited: To deliver hosiery like the samples he displayed; to make adjustments if purchasers were dissatisfied; to replace all hosiery which wore out within a certain time; to replace all hosiery which ran, snagged, or developed holes in a certain time; to refund money to dissatisfied customers.

Actually when the hosiery was finally delivered, testimony to the Federal Trade Commission revealed, it was often not the same as the samples. It was in many instances different in color, texture, and quality. Customers who sent the hosiery they had pur-



chased back for adjustments never heard of the matter again.

Finally, the Federal Trade Commission examined the record and recently handed down a Cease and Desist Order which forbids this Texas dealer in hoisery to continue such practices.

FABRICATIONS have no place in statements about fabrics, seems to be the general import of a double handful of Federal Trade Commission actions.

A Park Avenue New York firm will stop using the words "Hudson" and "seal" in conjunction with its fur-simulating plush and pile fabrics. It will also remove the picture of a seal on an ice floe from the labels on these fabrics.

The Commission ruled that rayon in men's clothes must be disclosed fully and without deception. This brings label reading out of the category of strictly feminine occupations.

Another sartorial decision by the Commission throws a safeguard around the necks of men who buy neckties made of imported materials. "Kerry poplin" is woven in Ireland by hand. This weaving has been going on for generations, and the cloth that is woven by this method is well-known. It is deceptive therefore, the Commission ruled, to sell machine-made domestic cloth for Kerry poplin.

PARAPHENYLENEDIAMINE is a hazardous kind of word for anyone to try to pronounce, but it is downright dangerous to use in eyebrow and eyelash dyes. "A number of persons have suffered severe injury," the Food and Drug Administration said in a recent statement to manufacturers, "and in some cases blindness has resulted from the application of this dye to the eyelashes and eyebrows."

The use of this dye is illegal, the Food and Drug Administration warned, and using it is no less illegal when the manufacturer encloses paper shields and drugs in the package containing the illegal dye for use by consumers to prevent the introduction of the dye into the eyes. "Precautionary measures cannot guarantee protection of the eyes against such dangerous products."

MENTHOLATED handkerchiefs may smell as if they might cure something, but whatever it is they do cure, they are no remedy for "hay fever, rose fever, or sinus." They do not "soothe nasal irritation or inflamed skin." No more than any other handkerchief are they a "protection when in crowds." Because their labels claimed that they did do all these things Federal Courts recently ordered destroyed 58 dozen packages of mentholated handkerchiefs in Chicago, 107½ dozen packages in San Francisco, and 61½ gross in Philadelphia. The labeling made therapeutic claims which were false and fraudulent under the Food and Drug Act.

THE GUIDE OFFERS the following scenario for a newsreel of Food and Drug inspectors in action:

Food and Drug inspectors make rounds of key factories and warehouses.

Broken carton in one warehouse excites inspector's suspicions. Inspector takes sample.

At Food and Drug laboratories chemical and microscopic analysis of sample reveals that the food is filthy, contains decayed vegetable matter, and is in violation of the Food and Drug Act.

Food and Drug inspector, who cannot seize food or make arrests himself, goes to United States Attorney's office and asks the Federal attorney there to libel the shipment of food he has turned up.

The Federal attorney goes before a Federal court and begins condemnation proceedings against the illegal shipment.

A marshal from the United States District Attorney's office seizes the offending shipment.

Owner of the shipment is served with notice of court proceedings.

At court the Food and Drug inspectors and the chemists and microanalysts who examined the food testify.

Federal court judge orders the illegal food to be destroyed.

United States marshal armed with the court order destroys the food.

Recently the United States marshal in Chicago destroyed, among other things, 124 packages of one brand of

eyelash dye; 54 packages of another; 167 jars of filthy caviar; 71 boxes of assorted chocolate contaminated by insects and rodents; and 195 pounds of worm-eaten and moldy pecan halves.

Such a scenario, consumers should know, does not describe every proceeding under the Food, Drug, and Cosmetic Act. There can be appeals, and sometimes the seized materials are not destroyed at all; instead, where part of the goods seized are legal materials, the owner is permitted to separate the good from the bad or if the material can be made legal the manufacturer is permitted to rework the goods to bring them up to standard or if they are only misbranded is permitted to relabel them. This scenario, however, describes a typical case.

"EVERYONE in our family likes lamb," writes a Chicago consumer, "but very often I find I am unable to afford the more expensive cuts. Can you tell me whether the cheaper cuts are just as good?"

For tight budgets there are bargains in the meat from lamb shoulder, breast, flank, chuck, and neck. These sometimes sell at prices as low as one-third, often at less than a half, of the cost of more expensive lamb cuts. Prepared by imaginative domestic chefs, they make delectable and appealing dishes.

Lamb stew is a favorite family dish that can be made from any of these cuts. For an economical and delicious lamb roast, breast of lamb rates high, and is far below the cost of leg of lamb roasts. Meat from the flank makes tasty ground meat patties, while from the chuck come boned roasts and Saratoga chops. Roast stuffed shoulder of lamb is a favorite on many family menus.

Making savory dishes from economical cuts of tender lamb is largely a matter of kitchen skill and ingenuity. For those who want to know more about cooking lamb—both the expensive and cheaper cuts—"Lamb As You Like It," Department of Agriculture Leaflet No. 28, will answer your questions. It is available for 5 cents from the Superintendent of Documents, Washington, D. C.

HOW FRUITS COMPARE IN FOOD VALUE¹

A chart for your kitchen, to help in your marketing and meal-planning problems. Figures and ratings are based on data assembled in the Bureau of Home Economics, U. S. Department of Agriculture

	EDIBLE PORTION									
	Protein (percent)	Total carbo- hydrate (percent)	Fuel value per pound (calories)	MINERALS			VITAMINS			
				Calcium	Phosphorus	Iron	Vitamin A	Vitamin B ¹	Vitamin C	Vitamin G
Apples, fresh.....	0.3	14.9	290	Poor.....	Poor.....	Poor.....	Poor.....	Poor*	Fair to good.	Fair.
Apricots, fresh.....	1.0	12.9	255	Poor.....	Poor.....	Fair.....	Excellent.....	Poor.....	Poor to fair.	Fair.
Apricots, dried.....	5.2	3.2	1,325	Poor.....	Poor.....	Excellent.....	Excellent.....	Poor.....	Poor to fair	(†)
Avocados.....	1.5	6.5	2 480-1,200	Poor.....	Fair.....	Poor to fair.	Good.....	(†)	(†)	Good.
Bananas.....	1.2	23.0	445	Poor.....	Poor.....	Fair.....	Good.....	Fair.....	Good.....	Fair.
Blackberries (or dewberries).....	1.2	11.9	285	Poor.....	Poor.....	Fair.....	Good.....	Poor.....	Fair.....	(†)
Blueberries (or huckleberries).....	.6	15.1	310	Fair.....	Poor.....	Fair.....	Good*	(†)	Fair*	(†)
Cantaloups.....	.6	5.9	125	Poor.....	Poor.....	Poor.....	Fair to good.	Fair.....	(†)	Fair.
Cherries.....	1.1	14.3	310	Poor.....	Poor.....	Poor.....	Fair.....	(†)	(†)	(†)
Cranberries.....	.4	11.3	240	Poor.....	Poor.....	Poor.....	Poor*	(‡)	Good.....	(‡)
Currants, fresh.....	1.6	12.7	275	Fair.....	Fair.....	Fair.....	(†)	(†)	Excellent.....	(†)
Currants, dried (see Raisins)										
Dates.....	2.2	75.4	1,430	Fair.....	Poor.....	Good.....	Fair.....	Fair.....	(‡)	(‡)
Figs, fresh.....	1.4	19.6	395	Good.....	Fair.....	Poor.....	Fair.....	Fair to good.	Poor.....	Fair.
Figs, dried.....	4.0	68.4	1,365	Good.....	Fair.....	Good.....	Fair.....	Fair.....	(†)	Fair.
Gooseberries.....	.8	10.1	215	Fair.....	Poor.....	Fair.....	(†)	(†)	Excellent.....	(†)
Grapefruit.....	.5	10.1	200	Poor.....	Poor.....	Poor.....	(‡)	Fair.....	Excellent.....	Fair.
Grapes.....	1.0	15.8	335-355	Poor.....	Poor.....	Fair.....	Poor to fair*.	Poor to fair.	Poor.....	Poor.*
Guava.....	1.0	17.1	355	Poor.....	Poor.....	Poor.....	Good.....	Fair.....	Excellent.....	Fair.
Lemons.....	.9	8.7	200	Poor.....	Poor.....	Poor.....	(‡)	Fair.....	Excellent.....	(†)
Limes.....	.8	12.3	240	Fair.....	Poor.....	(†)	(‡)	(†)	Fair*	(†)
Mangos.....	.7	17.2	335	Poor*.....	Poor.....	Poor.....	Excellent.....	(‡)	Excellent.....	Good.
Oranges.....	.9	11.2	230	Fair.....	Poor.....	Poor.....	Good ³	Good.....	Excellent.....	Fair.
Papayas.....	.6	10.0	195	Poor.....	Poor.....	Poor.....	Excellent.....	Poor.....	Good.....	Fair.
Peaches, fresh.....	.5	12.0	230	Poor.....	Poor.....	Poor.....	Poor to ex- cellent. ⁴	Poor.....	Fair.....	Good.
Peaches, dried.....	3.0	69.4	1,340	Poor.....	Fair.....	Excellent.....	Excellent ⁴	Poor.....	(†)	Good.
Pears, fresh.....	.7	15.8	315	Poor.....	Poor.....	Poor.....	Poor.....	Poor.....	Fair.....	Fair to good.
Pears, dried.....	2.3	71.6	1,355	Poor.....	Poor.....	Fair.....	Poor*	Poor.....	Poor*	(†)
Persimmons, Japanese.....	.8	20.0	395	(†)	(†)	Poor.....	Good*	(†)	Poor*	(†)
Pineapples.....	.4	13.7	265	Poor.....	Poor.....	Poor.....	Fair*	Good.....	Good.....	Fair.
Plums, fresh (excluding prunes).....	.7	12.9	255	Poor.....	Poor.....	Fair.....	(†)	Fair.....	Poor.....	(†)
Prunes, fresh.....	.9	21.8	420	(†)	(†)	(†)	Good*	(†)	(†)	(†)
Prunes, dried.....	2.3	71.0	1,355*	Fair.....	Poor.....	Good.....	Good to ex- cellent.	Good.....	(†*)	Good.
Raisins (including so-called dried currants)	2.3	71.2	1,355	Fair.....	Fair.....	Good.....	Fair*	(‡)	(‡)	Good or fair.
Raspberries.....	1.3	15.0	305-375	Fair.....	Poor.....	(†)	(†)	Poor to fair..	Good.....	(†)
Strawberries.....	.8	8.1	185	Poor.....	Poor.....	Fair.....	(†)	(†)	Excellent.....	(†)
Tangerines.....	.8	10.9	225	Fair.....	Poor.....	(†)	Good.....	(†)	Good.....	(†)
Watermelons.....	.5	6.9	140	Poor.....	Poor.....	Poor.....	(†)	Poor to fair..	Fair.....	Poor.

* Indicates that the classification is based on a very small amount of evidence.

† Indicates that evidence is lacking or insufficient for classification.

‡ Indicates that the food contains a negligible amount of the vitamin.

¹ Individual samples of any particular fruit will vary in composition and in mineral and vitamin content. The figures reported are fair averages and the ratings for minerals and vitamins give an indication of the relative contribution of each product in these essential nutrients. These ratings are subject to change as more evidence becomes available.

² Avocados vary greatly in fat content, depending upon the type. This accounts for the wide range in calorie values.

³ Only oranges with deep yellow juice are a good source of Vitamin A.

⁴ White peaches are a poor source of Vitamin A, but yellow peaches rate good to excellent.

⁵ Only the dried yellow peaches are an excellent source of Vitamin A.

Artichoke
Asparagus
Beans, green
Beans, kidney
Beets, red
Beet greens
Broccoli
Brussels sprouts
Cabbage
Carrots
Cauliflower
Celery
Chard
Collards
Corn, sweet
Couscous
Cucumbers
Dandelion
Dock
Eggplant
Endive
Kale
Kohlrabi
Lettuce, iceberg
Lettuce, romaine
Mushrooms
Mustard
Okra
Onions
Parsnips
Peas, green
Pepper, green
Potatoes
Radishes
Rhubarb
Rutabaga
Soybeans
Spinach
Squash, summer
Squash, winter
Sweet potatoes
Tomatoes
Turnips
Turnips, green
Vegetables
Watermelon

HOW VEGETABLES COMPARE IN FOOD VALUE¹

17

A chart for your kitchen, to help in your marketing and meal-planning problems. Figures and ratings are based on data assembled in the Bureau of Home Economics, U. S. Department of Agriculture

	EDIBLE PORTION									
	Protein (percent)	Total carbohy- drate (percent)	Fuel value per pound (calories)	MINERALS			VITAMINS			
				Calcium	Phosphorus	Iron	Vitamin A	Vitamin B ¹	Vitamin C	Vitamin G
Artichokes, globe.....	2.9	11.9	285	Good.....	Good.....	Fair.....	Good.....	(†)	Fair*.....	(†)
Asparagus, green.....	2.2	3.9	120	Poor.....	Fair.....	Fair.....	Good.....	(†)	Good.....	(†)
Beans, lima, green, shelled.....	7.5	23.5	595	Good.....	Excellent	Excellent	Good*.....	Excellent	(†)	Good.
Beans, snap, green.....	2.4	7.7	190	Good.....	Fair.....	Good.....	Good.....	Good.....	Good.....	Fair.
Beets.....	1.6	9.6	205	Poor.....	Fair.....	Fair.....	(†)	Fair.....	Fair.....	Good.
Beet greens.....	2.0	5.6	150	Poor.....	Fair.....	Excellent	Excellent*	Good*	Good*	Excellent.
Broccoli.....	3.3	5.5	170	Excellent	Good.....	Good.....	Good.....	Good.....	Excellent	Good.
Brussels sprouts.....	4.4	8.9	290	Fair.....	Good.....	Good.....	Good.....	Good.....	Excellent	Good.*
Cabbage, green.....	1.4	5.3	130	Good.....	Fair.....	Good.....	Good.....	Fair.....	Excellent	Good.
Carrots.....	1.2	9.3	205	Good.....	Fair.....	Fair.....	Excellent	Good.....	Fair.....	Good.
Cauliflower.....	2.4	4.9	140	Fair.....	Fair.....	Fair.....	Poor.....	Good.....	Good*	Good.
Celery.....	1.3	3.7	100	Good.....	Fair.....	Fair.....	(†)	Fair.....	Fair.....	(†)
Chard.....	1.4	4.4	115	Excellent	Fair.....	Excellent	Excellent*	(†)	(†)	(†)
Collards.....	3.9	7.2	225	Excellent	Good.....	Good.....	Excellent	Good*	Excellent*	Good.
Corn, sweet.....	3.7	20.5	490	Poor.....	Good.....	Poor.....	(†)	Good.....	Fair*	(†)
Cowpeas, fresh, shelled.....	9.4	22.7	605	Fair.....	Good.....	Excellent	(†)	(†)	(†)	(†)
Cucumbers.....	.7	2.7	65	Poor.....	Poor.....	Poor.....	Poor.....	Fair.....	Fair.....	Fair.
Dandelion greens.....	2.7	8.8	235	Excellent	Fair.....	Excellent	Excellent	Good*	Fair.....	Good.*
Dock or sorrel.....	2.1	3.4	110	Poor.....	(†)	Good.....	Excellent	(†)	(†)	(†)
Eggplant.....	1.1	5.5	130	Poor.....	Poor.....	Fair.....	Fair.....	Fair.....	Fair.....	Good.
Endive or escarole.....	1.6	4.0	110	Good.....	(†)	Good.....	Excellent	Fair*	Good.....	Good.
Kale.....	3.9	7.2	225	Excellent	Fair.....	Excellent	Excellent	Good.....	Good.....	Excellent.
Kohlrabi.....	2.1	6.7	165	Good.....	Good.....	(†)	(†)	(†)	Excellent	(†)
Lettuce, green leaves.....	1.2	2.9	85	Good.....	Poor.....	Good.....	Excellent	Good.....	Fair.....	Good.
Lettuce, bleached leaves.....	1.2	2.9	85	Good.....	Poor.....	Poor.....	Poor.....	Good.....	(†) (*)	(†)
Mushrooms.....	0	0	0	(†)	(†)	(†)	(†)	Good.....	(†)	(†)
Mustard greens.....	2.3	4.0	125	Excellent	Poor.....	Excellent	Excellent	Good*	Excellent	Excellent.
Okra.....	1.8	7.4	175	Good.....	Fair.....	Fair.....	Good.....	Good.....	Fair.....	Good.*
Onions.....	1.4	10.3	220	Fair.....	Fair.....	Poor.....	(†)	Fair*	Fair.....	Fair.
Parsnips.....	1.5	18.2	380	Good.....	Good.....	Fair.....	(†)	(†)	Fair*	Fair.*
Peas, green, shelled.....	6.7	17.7	460	Fair.....	Good.....	Good.....	Excellent	Excellent	Excellent	Good.
Peppers, green.....	1.4	6.2	155	Poor.....	Poor.....	Poor.....	Excellent	Fair*	Excellent	(†)
Potatoes.....	2.0	19.1	385	Poor.....	Fair.....	Fair.....	Poor*	Good.....	Good.....	Fair.
Radishes.....	1.2	4.2	100	Poor.....	Poor.....	Poor.....	(†)	Fair*	Fair.....	(†)
Rhubarb.....	.5	3.8	80	Poor.....	Poor.....	Fair.....	(†)	(†)	Fair.....	(†)
Rutabagas.....	1.1	8.9	185	Good.....	Fair.....	Fair.....	(†)	Good.....	Excellent	Fair.*
Soybeans, green, shelled.....	12.5	6.0†	600	Good.....	Excellent	Excellent	Excellent	Good.....	(†)	Good.
Spinach.....	2.3	3.2	110	Poor.....	Fair.....	Excellent	Excellent	Good.....	Excellent	Good.
Squash, summer.....	.6	3.9	85	Poor.....	Poor.....	Poor.....	Good to ex- cellent.	Fair*	Fair.....	Good.*
Squash, winter.....	1.5	8.8	200	Poor.....	Poor.....	Fair.....	Good to ex- cellent.	Fair*	Fair.....	Good.*
Sweet potatoes.....	1.8	27.9	565	Poor.....	Fair.....	Fair.....	Excellent	Good.....	Fair.....	Fair.
Tomatoes, red.....	1.0	4.0	105	Poor.....	Poor.....	Poor.....	Excellent	Good.....	Excellent	Poor to fair.
Turnips, white.....	1.1	7.1	155	Good.....	Fair.....	Fair.....	Poor*	Fair.....	Good.....	Fair.
Turnip greens.....	2.9	5.4	165	Excellent	Fair.....	Excellent	Excellent	Good.....	Excellent	Excellent.
Vegetable-oyster or salsify.....	3.5	15.5	385	Good.....	(†)	Good.....	(†)	(†)	(†)	(†)
Watercress.....	1.7	3.3	105	Excellent	Poor.....	Excellent	Excellent	Good.....	Excellent	Good.

*Indicates that the classification is based on a very small amount of evidence.

†Indicates that evidence is lacking or insufficient for classification.

‡Indicates that the food contains a negligible amount of the vitamin.

¹ Individual samples of any particular vegetable will vary in composition and in mineral and vitamin content. The figures reported are fair averages and the ratings for minerals and vitamins give an indication of the relative contribution of each product in these essential nutrients. These ratings are subject to change as more evidence becomes available.

² The vitamin ratings apply only to bleached celery.

³ White sweet corn contains a negligible amount of Vitamin A, whereas yellow sweet corn is a fair source of this vitamin.

⁴ No data on phosphorus and iron for rutabagas, but assumed to be same as turnips.

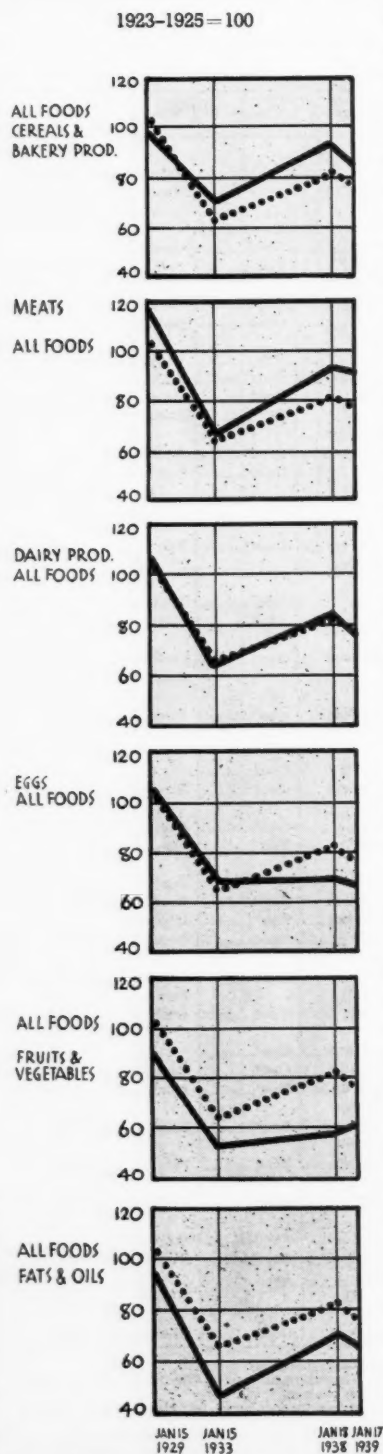
⁵ The vitamin ratings apply only to yellow-fleshed varieties of squash.

⁶ The vitamin ratings apply only to yellow-fleshed varieties of sweetpotatoes.

FEBRUARY 27, 1939

18 YOUR FOOD SUPPLIES AND COSTS

A PERSPECTIVE



CONSUMERS' GUIDE

FOOD COSTS at the beginning of 1939 dropped to their lowest level since the end of 1934. The sharp decline from December to January resulted from lower prices for all major foods except fresh vegetables and meats. Food prices are relatively low for this period of the year. Costs lower than current levels have not been reached in any January since 1933 for cereals and bakery products and canned and dried fruits and vegetables; since 1934 for eggs and fats and oils; or since 1935 for dairy products and meats.

STRAWBERRIES. Larger supplies than in 1938 are in prospect for the entire 1939 season with sharpest increases over a year ago expected in States producing berries after March.

CITRUS FRUITS. Lowest prices for oranges and grapefruit come in the winter months. Florida and Texas expect record crops, but California supplies may be less than in 1938, due to wind damage.

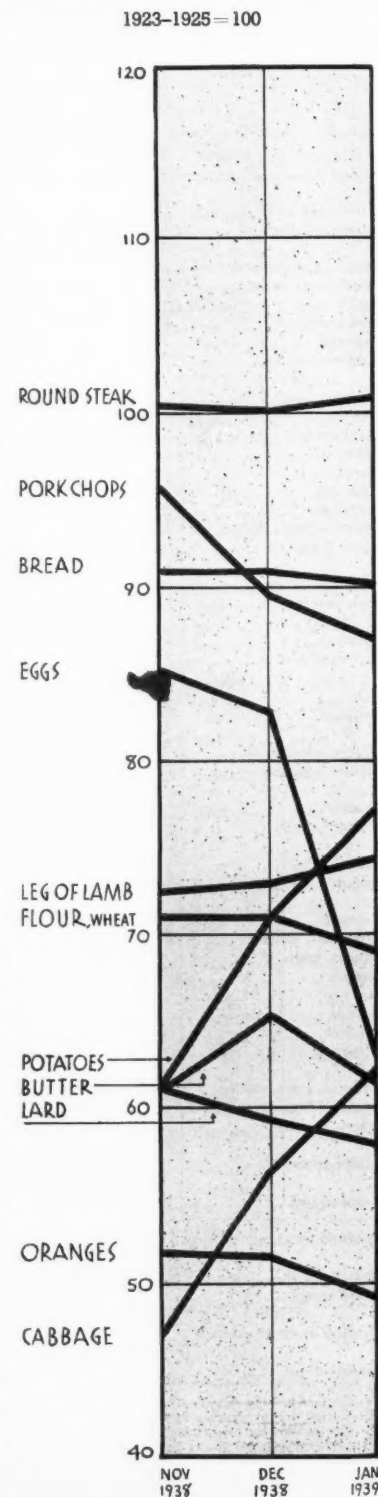
FRESH PORK. Seasonal decreases in supplies and smaller slaughter than in 1938 are in prospect for March.

BEEF. Seasonal increase in supplies and larger marketings than in 1938 are expected during the first half of this year for better-grade beef, whereas a seasonal decrease and smaller supplies are in prospect for lower-grade beef.

POULTRY. Larger marketings than during the first half of 1938 are expected for this year.

FRESH VEGETABLES. Asparagus season opens in late February. Smaller supplies of tomatoes, green peas, new carrots, peppers, and celery than last year but larger supplies of string beans, spinach, and cabbage are in prospect this March.

A CLOSE-UP



INSIDE YOUR CUP OF CHOCOLATE

[Concluded from page 9]

form to certain standards of identity. Such legal standards have not yet been promulgated, but until they are, the advisory standards of identity issued under the old Food and Drug Act represent trade and consumer understanding of the identity of these foods. Some of the advisory standards are these:

Chocolate, plain chocolate, bitter chocolate, chocolate liquor, chocolate paste, and bitter chocolate coating should be solid or plastic masses which contain at least 50 percent cacao fat, according to the Food and Drug Administration's definition.

Sweet chocolate and sweet chocolate coating should be made of chocolates with sugar or dextrose or both.

Milk chocolate or sweet milk chocolate should be chocolate containing not less than 12 percent of milk solids with sugar or dextrose added.

Plain cocoa should be pulverized chocolate with part of the cocoa butter removed. No minimum amount of cocoa butter is suggested.

Breakfast cocoa should contain at least 22 percent cacao fat.

Sweet or sweetened cocoa should be plain cocoa with sugar or dextrose added up to 65 percent by weight of the finished product.

Sweet milk cocoa should be cocoa ground with sugar or dextrose that contains at least 12 percent by weight of whole milk solids.

Dutch process cocoa, not called soluble cocoa since it is not soluble, should be a cocoa in whose manufacture certain alkalis have been added. During manufacture not more than 3 parts by weight of alkalis should be used to every 100 parts of cocoa or chocolate.

Chocolate malted milk should not be just a mixture of malt syrup, milk, and cocoa but actually a food in which the malt extract has worked on the milk ingredient through an action similar to that of yeast. Simple mixtures of malt syrup, milk, and cocoa should not be called chocolate malted milk. In addition, this product should contain whole (not skim) milk and chocolate (not cocoa).

THE NEW Food, Drug, and Cosmetic Law, passed in 1938 and operative from June 25, 1939, gives the Secretary of Agriculture (through the Food and Drug Administration) power to set compulsory standards, not only of identity but also of minimum quality for foods sold in interstate commerce. In the course of time, present identity definitions may be revised or reaffirmed under the new law.

Under both the old and the new Food and Drug Laws, there are penalties for misbranding and adulterating food products which, of course, include cocoa. The most common offenses in the cocoa trade have been the substitution of one ingredient for another without a declaration of this fact on the label—the substitution, say, of coconut butter for cocoa butter, or the use of skim milk for whole milk. Other malpractices have been the use of wormy and moldy cocoa beans; the mixture of cocoa with ground cocoa shells, or the failure to refine cacao so that the excess of ground shells is removed; the addition of injurious or deleterious ingredients to cocoa and chocolate.

Under the old Food and Drug Law products sold under distinctive trade names were exempt from many of the prohibitions of the law unless they contained harmful ingredients.

That joker, however, has been trumped by the provisions of the new Food, Drug, and Cosmetic Law. Under it legal standards are authorized for food products. If no standard is promulgated, however, the label must reveal the contents of a food if it contains two or more ingredients. Moreover, when the ingredients are present only in insignificant amounts the purchaser, under the new law, will be entitled to know their exact proportions. In brief, consumers will be entitled to all relevant information when they buy food products.

IN ANY EVENT, consumers will know what they are buying. If the food has a standard of identity, its constituents will be on file at the Food and Drug Administration and available to everyone. If it has no standard of identity, then its label must show all

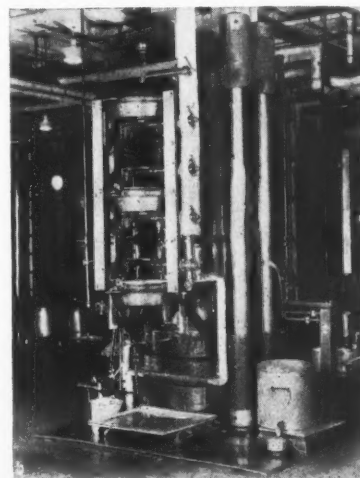
ingredients plainly and conspicuously in the order of their predominance.

If a minimum standard of quality is set, but the food falls below this standard, the label must state that the product is substandard.

Food and Drug Administration rules operate only in the case of foods that are sold in interstate commerce. There are many preparations made and sold within a single city or State. Here consumers must rely on their State and city laws and enforcement agencies to provide the protection they want from adulterated and misbranded foods.

Chocolate-flavored milk sold in bottles by dairies illustrates the advantage to consumers in having well-established local rules for labeling. Most States require chocolate-flavored milk to contain whole milk. A chocolate drink made with skim milk ordinarily must not be called chocolate-flavored milk. While this looks like hair-splitting, this regulation in reality could save consumers money if they paid attention to the difference between a "chocolate drink" and a "chocolate milk." A skim milk drink should sell for a lot less money than a whole milk drink, for skim milk is cheap—so cheap, in fact, that in some places it is actually thrown away.

MAJOR difference between cocoa and chocolate is the amount of cocoa butter each contains. The machine here is pressing cocoa butter out of chocolate. Chocolate, under advisory standards of identity issued by the Food and Drug Administration, contains 50 percent cacao fat (cocoa butter) while plain cocoa, which is pulverized chocolate, has no fixed amount of cocoa butter in it.



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